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SUBJECT: MEDVEDEV: WHAT HE SAYS, WHAT HE DOES

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Classified By: Ambassador William J. Burns. Reasons: 1.4 (b,d).

11. (C) Summary: During the two months that separate Dmitriy Medvedev's election March 2 from his inauguration, much will become clear about his power-sharing arrangement with outgoing President and incoming Prime Minister Putin. Following keynote speeches by Medvedev before fellow lawyers, civil society representatives, and Siberian elites, an extended magazine interview, and comments to the press and voters at various venues around the country, Medvedev the President is beginning to come into focus. The local media have been filled with articles --some hopeful, others dismissive-- that make reference to the "thaw" experienced under then-General Secretary Khrushchev in attempting to frame a Medvedev presidency based on the scant information available. Dramatic change seems unlikely, but some of Medvedev's comments suggest a different vector for Russia after May 7. What follows is a partial list of possible changes to watch for after Russia's third President takes office. End summary.

Rule of Law

12. (C) Medvedev has scored the importance of an independent judiciary in his frequent references to the dangers posed by "legal nihilism." His remedies for the problems posed by Russia's dysfunctional court system have ranged from sweeping social change, which would have citizens become more law-abiding, to ending the practice of "telephone law," to urging judges to restrict their contacts with the business world. He has also proposed that citizens be compensated for losses incurred through judicial error and mis-application of the law. In possible anticipation of a Medvedev presidency the Head of the Federal Prison System proposed this week measures that would allow prisoners convicted of less serious crimes to serve their sentences outside prison.

13. (C) With the judiciary --along with the absence of a free press, and a hamstrung civil society-- acting as a drag on the development of democracy and providing an environment in which corruption can flourish, any steps Medvedev would take to insulate judges from outside pressure and increase the transparency of the legal process would be important. A first such step might be seeing through to passage a bill, that has already passed its first reading in the Duma, that would increase the transparency of the judiciary by facilitating citizen access to court hearings and documents. Medvedev's legal background would make this a natural stepping off place.

Bureaucrats Out of Business

14. (C) In addition to the specific economic measures promoted

in his February 15 Krasnoyarsk speech (reftel), Medvedev has argued that the practice of unqualified civil servants simultaneously working in state corporations should come to an end. Measures taken to end the institutionalized conflict of interest would be an important development in the battle against corruption.

15. (C) Medvedev in Krasnoyarsk returned twice to the subject of small businesses, noting that the opportunity cost of starting a small business should be reduced, and calling for a "radical simplification of tax responsibilities."

Bureaucrats Out of the Bureaucracy

16. (C) Medvedev has argued that functions currently accomplished by the bureaucracy be privatized, where appropriate. As he said in Krasnoyarsk: "A significant part of the functions performed by the government must be transferred to the private sector." As important, has been Medvedev's repeated assertion that the balance of power between government and society must change, with civil servants understanding that they are accountable to Russian citizens, and not the other way around. This theme has run through Medvedev's comments on the judiciary, regulations governing business start-ups, and taxation. On Putin's watch, the number of civil servants has grown by leaps and bounds, as have the benefits they enjoy. With the growing size and influence of the civil service has come a shift among young job seekers. Polls regularly show that they prefer a career in the civil service to one in the private sector. Reversing the trend of more public sector employees and doing more --another Medvedev desirable-- to simplify job creation in the private sector, would help indirectly restore the balance of power between the state and its citizens.

Civil Society

17. (C) In comments while in Nizhniy Novgorod on February 27, Medvedev touched on the subject of non-governmental organizations. Unlike Putin, who has routinely issued harsh warnings about foreign financing of NGOs, Medvedev tone was considerably more moderate. He told his audience that NGO funding should not come "only" from abroad, by way of urging greater philanthropy and the development of civil society in Russia. Reduced pressure on existing NGOs and an effort to suspend some of the more onerous reporting provisions of the current NGO, along the lines detailed in Human Rights Watch recent 2008 report on the NGO sector, would be a step in the right direction and would respond to calls by the Human Rights Ombudsman and Chairwoman of the President's Human Rights Council.

Corruption

18. (C) Medvedev has spoken often of the need to root out corruption, which has worsened significantly on Putin's watch and is acting as a significant drag on the economy. On February 27, he promised that a plan for fighting corruption would be ready "in a few months," and would include not just legislative measures, but also measures intended to create an "atmosphere of no tolerance" for corruption. The plan Medvedev was likely referring to was the package of measures being prepared by an intra-governmental team headed by Viktor Ivanov to implement Russia's adoption of the UN COE conventions against corruption. Any comprehensive effort to attack corruption would be welcome after months of piecemeal attacks, many of which seemed to have more to do with settling political scores than reducing corruption itself.

Less Brezhnevian Television

19. (C) The television news under Putin has not become the "dog-walking hour" it was during the Soviet period only because urban Russians now have DVDs to watch and the

internet to scour for the news. Loosening the reins on tv, to allow a wider spectrum of viewpoints would send an important signal. Medvedev opened his key Krasnoyarsk policy speech with a paeon to "freedom," and elsewhere in the speech spoke of the necessity of "the real independence of the mass media, in order to create a channel of communication between society and the authorities." Allowing on television even moderate critics of the current administration would be an important first step, as would be fewer news hours devoted to the doings of the President.

Less Putinesque Rhetoric

¶10. (C) It has been frequently pointed out the Medvedev comes from a different social stratum --what used to be called the "technical intelligentsia"-- than Putin, whose more working class background shows in his fondness for earthy expressions. The difference in upbringing alone should produce a difference in tone with Medvedev at the helm, including less vilification of Russia's "enemies" abroad, and less recourse to instruments like "Nashi" and the extravagant use of special forces troops to deal with groups like Other Russia domestically.

Comment

¶11. (C) As critics have noted, Medvedev's calls for greater freedom, two-way channels of communication between society and government, reduced corruption, tamed bureaucrats, strong civil society, and a less cumbersome tax regime were frequently issued by Putin during his two terms as President to little effect. The initial months of a Medvedev presidency should allow observers to take the measure of his seriousness. Although Medvedev and Putin during the succession have been at pains to suggest that they will work as equals as President and Prime Minister, in one revealing comment during his "Itogi" interview, Medvedev insisted that Russia will remain a presidential republic with the decisive power in his hands after May 7. Meaningful change in some of the areas sketched above, after years of regression or stagnation under Putin, would suggest that Medvedev is serious about realizing the vision of Russia he has sketched during the campaign.

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